SECRET

INSPECTOR GENERAL'S SURVEY

 \mathbf{OF}

PRINTING SERVICES DIVISION

SEPTEMBER 1966

MORI/CDF

TABLE OF CONTENTS

	Page
INTRODUCTION	1
MISSION, ORGANIZATION, AND RESOURCES	2
PRODUCTION	5
Cost Controls	5
Photography Branch	8
Graphics and Visual Aids Staff	11
STAFFING AND MANAGEMENT	14
Management-Employee Relations	16
Retirement Policy	19
SECURITY	21
Physical Security	21
Personnel Security	22
Contractor Security	23
Security Audits	25
SAFETY AND HOUSEKEEPING	28
OTHER AGENCY FACILITIES DUPLICATING PSD SERVICES	30

SECRET

INTRODUCTION

- 1. This is the third Inspector General survey of the Printing
 Services Division (PSD) and its predecessor organizations, the last
 previous survey having been conducted in 1961. In the course of this
 survey we interviewed employees assigned to the division.

 We discussed PSD's work with all of its principal customers, and we
 reviewed a generous sampling of PSD-produced publications. We also
 made inquiries of officers of other Agency components concerning such
 matters affecting PSD as personnel, security, safety, medical, budgetary,
 and audit.
- 2. We found the Chief of PSD most receptive to suggestions for improvement made while the survey was in progress. He has already initiated and in some cases has completed action on many of the problems to which there were ready solutions.

MISSION, ORGANIZATION, AND RESOURCES

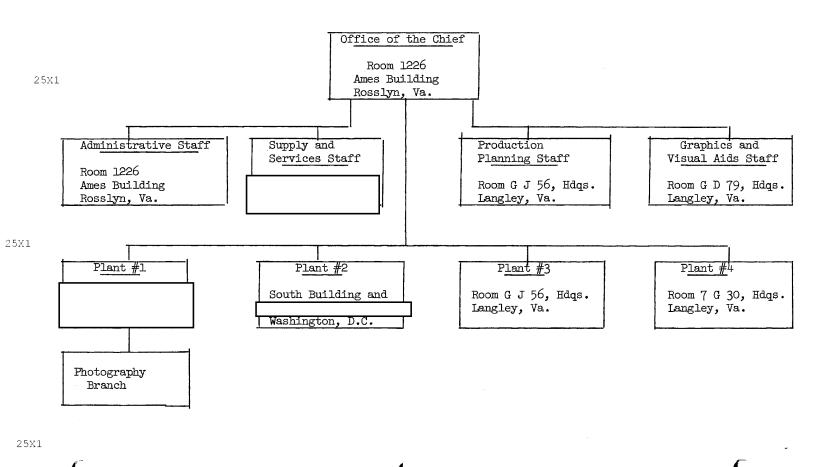
- Agency regulation HR "Printing and Publication," assigns to the Director of Logistics responsibility for maintaining centralized facilities to provide printing and reproduction service to all components of the Agency. The regulation applies only to service-type printing and reproduction facilities and not to those used only in connection with individual Clandestine Services operational projects or in the specialized activities of the Technical Services Division. The regulation also specifies that printing and reproduction equipment will be assigned to individual offices when it is determined that such assignments will result in improvement in security, efficiency, economy, and effectiveness. The Director of Logistics, in Logistics Instruction 1-6, delegated to the Chief, Printing Services Division, responsibility for the management of printing and reproduction services. The latter is also named as printing advisor to all Agency components.
- 2. PSD is responsible for printing and other reproduction services in connection with publishing the National Intelligence Surveys; National Intelligence Estimates and other publications of the Office of National Estimates; the Current Intelligence Bulletins, Digests, Weekly Reviews, and Weekly Summaries; practically all DD/S&T publications; reports of Domestic Contact Service, the

25X1

25X1

- 2 -

ORGANIZATION CHART PRINTING SERVICES DIVISION



Clandestine Services, and the Foreign Documents Division;

for the Office of Basic Intelligence; most reports for the Office of
Research and Reports; and miscellaneous forms, regulations, and
training and other materials for the Support Directorate. The
Graphics and Visual Aids Staff of PSD supports all major components
in producing charts, Vu-graphs, and other presentation materials.

PSD's Photography Branch has facilities for micro-photography, graphic
photography, xerography, color photography, motion picture photography,
and photocopying. The principal customers for photographic services
are Graphics Register of OCR, the Office of Security, the Office of
Basic Intelligence, and the Office of Training.

3. As of 1 August 1966, PSD had a total of employees working in in the Washington area. The organizational chart, which shows the locations of each of the components, is reproduced on the opposite page. With the completion of PSD's new building in the summer of 1967, all operations will be centralized at Langley—an objective that has long been sought. Over the long term, centralization should reduce manpower requirements, increase productivity, and decrease costs.

about 75 percent of which is for salaries. The budget for FY 1967 is ______ The increase results from pay adjustments and from anticipated costs in connection with moving to the new building. The cost of constructing and equipping the new building is estimated at \$2.353 million.

_ 1, _

SECRET

25X1

25X1

25X1

25X1

SECRET

PRODUCTION

1. Those whom PSD serves are best qualified to judge the acceptability of the product. We interviewed most of the major consumers. Many of the officers with whom we spoke have dealt with PSD for years. Their comments on the quality of printed materials and on PSD's record on meeting publication schedules were overwhelmingly favorable. Comments on support by the Graphics and Visual Aids Staff were equally favorable. PSD's photographic customers were noticeably less enthusiastic in their praise, although it seems evident that, by and large, the Photography Branch has done a creditable job. We treat of its deficiencies in subsequent paragraphs concerned specifically with the Photography Branch.

Cost Controls

2. We found management cost conscious and giving considerable attention to process improvement and increased efficiency. PSD is a leader in the field of developing and patenting new printing techniques, especially in computerized photo typesetting. PSD has been given a large number of awards under the Incentive Awards Program, and received a Presidential citation for reducing the printing costs reports, with an annual saving of \$80,000.

3. A possible exception is to be found in the Photography Branch where both cost and quality controls stand in need of improvement. PSD estimates the cost of each job in terms of labor, materials, and overhead on the basis of ground rules worked out with the Office of Finance. Although costs are allocated by customer, all are actually charged against PSD's annual operating budget. The approximate allocations by major component for fiscal years 1965 and 1966 are as follows:

DCI
DD/P
DD/I
DD/S&T
DD/S
Total

4. Actually, PSD does not have full control over the Agency's annual printing and reproduction costs. The economies it can effect are limited to those that derive from improving its own internal efficiency or that can be negotiated with its customers. The system by which costs are allocated against customer requirements is generally satisfactory for PSD's internal accounting, but it provides no incentive for PSD's customers to reduce costs by controlling requirements.

SECRET

It is in human nature to be less concerned about expenditures that one does not have to defend.

5. We believe that if the customer had to pay for his printing services he would be much less likely to submit orders that are not essential. A good illustration is to be found in the case of the National Intelligence Surveys (NIS), which are compiled by the Office of Basic Intelligence. OBI submits to PSD a typed rough draft of each of the NIS General Sections. PSD then types, prints, and binds it in virtually finished form and returns it to OBI for review by a subcommittee of the USIB. This review usually results in major changes and requires the expenditure of additional hundreds of PSD man-hours on each such section. The reworking of each section costs an estimated \$500 to \$1,500 depending on the size of the job. Some thirty General Sections were published in FY 1966 and about the same number is scheduled for FY 1967. Thus, PSD will spend from \$15,000 to \$45,000 per year on a frill that we think could be foregone. Over the years, PSD has repeatedly questioned OBI on the validity of the need for this duplication of effort but has not succeeded in getting agreement on a less wasteful arrangement. If OBI had to defend this expenditure in its own budget, we think it likely that OBI would be more amenable to recommendations for a more efficient and less costly procedure.

- 7 -

It is recommended that:

No. 1

The Deputy Director for Intelligence:

- a. Instruct the Director of Basic Intelligence to examine with the Chief, Printing Services Division, alternatives to the present method of arriving at a finished publication, with a view toward eliminating double printing operations.
- b. If no acceptable alternative can be agreed upon, submit to the Executive Director-Comptroller written justification for continuing present practices.
- 6. Present procedures for cost allocation and control provide little incentive for customers to reduce printing and reproduction costs. We discussed possible alternatives with representatives of the Office of Planning, Programming and Budgeting. PPB feels, as do we, that the most effective way of furnishing incentive to reduce costs would be to require customer components to include printing costs in their own budgets. Unfortunately, this seems not to be feasible. Most of PSD's costs are for salaries, which cannot easily be fragmented to the users. We agree with PPB's conclusion that the cost accounting cure may be more painful than the disease.

Photography Branch

25X1

7. The Photography Branch of PSD is housed in jerry-built which are clearly unsatisfactory. This laboratories defect will be corrected when the branch moves to the new building with its new and more efficient equipment. We believe, though, that economies and improvements are possible in photographic operations regardless of the nature of the physical plant.

- 8 -

- 8. We see distinct evidence of significant indirect or hidden costs arising from poorly maintained equipment, inadequate quality controls, and insufficient regard for waste. We gave to Chief, PSD, a list of deficiencies that we were able to identify, ranging from loose control of solution temperatures to poor maintenance of sensitive photographic equipment. Most of these faults can be attributed directly to a shortage of qualified personnel.
- 9. Graphics Register of the Office of Central Reference is PSD's largest customer for photographs. PSD processed 520,000 prints and 150,000 negatives for Graphics Register last year. The Register is generally satisfied with PSD's service; however, there are areas in which PSD's support could be improved through closer working relations with Graphics Register.
 - a. One of these areas is in the field of color photography. The requirements for color photography are expanding rapidly and can be expected to continue to expand. An example is FMSAC's increasing requirements for reproduction of films on Soviet missile programs. Without denigrating PSD's current performance, the Chief of the Graphics Register expressed reservations to the inspectors on the capacity of PSD to handle the increased workloads that can be anticipated.

Ъ.	About	one	-half	of	the	prints	for	Graphics	Register	are
processed	l by t	hree	comme	erci	ial (contract	tors	:		

of this work in its own laboratories. Graphics Register commented to us that these externally-processed prints are of uneven quality and deliveries are somewhat erratic. We discuss the security aspects of these external processing arrangements in a subsequent section of Security.

- c. Both Graphics Register and PSD log the photographs sent to and received from the contractors. This seems to us to be needless duplication. If this logging were eliminated in PSD the photographic scheduler and the clerk in PSD who spend nearly full time on this task could be freed for other work.
- d. Because not all of Graphics Register's personnel are competent to judge the quality of prints and negatives, they occasionally accept inferior photographs. They would profit from closer contact with and orientation by PSD photo-technicians.
- e. Graphics Register has its own internal facilities for processing crash photo jobs. With the move of PSD to its new space adjacent to the Headquarters Building, there should be no need for Graphics Register to retain its photo processing capability. We believe a decision should be reached now as to the future of the Graphics Register personnel and equipment involved.

f. PSD uses special equipment to eliminate the black line that appears on prints of photography taken with the 70 millimeter camera. We find that Graphics Register considers this operation unnecessary; yet, PSD has spent thousands of manhours on it in recent years. Closer collaboration between Graphics Register and PSD could have eliminated the operation long ago.

It is recommended that:

No. 2

The Deputy Director for Intelligence charge the Chief, Graphics Register with responsibility for arriving at mutually satisfactory arrangements with the Chief, Printing Services Division regarding the following:

- a. PSD's capacity to meet increasing requirements for color and motion picutre photography.
- b. Improvement in delivery times to Graphics Register, especially of prints made under contract by
- c. Quality control of photographs delivered to the Graphics Register.
- d. Improving the skills of Graphics Register personnel in judging the quality of photographic products.
- e. Elimination of duplicate handling of photography by Printing Services Division and by Graphics Register.
- f. Elimination of Graphics Register's photographic processing facilities when Printing Services Division moves to its new building.

Graphics and Visual Aids Staff

10. The Graphics and Visual Aids Staff is a seven-man unit servicing all directorates, although most of its work is on behalf

- 11 -

SECRET

of the Clandestine Services and various components of the Support Directorate. The Staff's files are replete with commendations attesting to the excellence of its work. The unit has been assigned to PSD only since 1963. Prior to that it was shifted from pillar to post and seems always to have been looked upon as a sort of stepchild. It is presently housed in room G-D-79 in the Headquarters Building, space originally designed for a file room. The quarters have a low ceiling and are windowless, poorly ventilated, and crowded. The atmosphere is not conducive to creativity.

- that the components to which it has been assigned have not fully appreciated the nature of the creative person. The Staff is not ignored by PSD management. Two of its people have recently been promoted, and there are plans for new equipment and better ventilation. We discussed with Chief, PSD, the desirability of increasing opportunities for staff personnel to take additional training and to be exposed to new developments in communications through the graphic arts. Steps are being taken to provide such opportunity.
- 12. We believe that the talents of personnel of the Graphics and Visual Aids Staff could be more fully exploited than they now are in improving the appearance and readability of Agency publications and reports. Some are cluttered and unattractive. We called to the attention of Chief, PSD, examples from all directorates of publications that made poor use of photography. Included among the examples

were photographs that were several years old, that were reproduced from inferior negatives, or that were badly arranged. We do not advocate concentration of packaging and presentation at the expense of content, but we see considerable room for improvement in Agency publications and reports as communications media. The Intelligence Directorate has given the problem high-level attention and has adopted the recommendations of outside consultants with respect to the format and covers of some of its publications. The other directorates and PSD itself appear not to appreciate sufficiently the contribution that specialists in the graphics arts could make. While PSD, of course, is expected to print what is asked of it, we believe that the Chief, PSD, in his role of Agency printing advisor, might reasonably be expected to exercise a greater influence on how material for printing is selected and assembled. Merely offering the services of his Graphics and Visual Aids Staff probably will not be enough; a fair amount of "selling" may be necessary.

It is recommended that:

No. 3

The Chief, Printing Services Division, initiate with those originating Agency publications and reports an active and continuing program to improve format, layout, and graphics through exploitation of the capabilities of PSD's Graphics and Visual Aids Staff as well as outside specialists where indicated.

STAFFING AND MANAGEMENT

25X1

photographic workload. The Photography Branch has six vacancies, which PSD has been trying for months to fill, but without success. The branch chief is competent as a manager, but he lacks the background necessary to furnish technical guidance to others in the branch. The chief of this branch has no deputy. The branch lost a well-qualified technician when he transferred to the Office of the Chief, PSD, to work on process improvement. He now devotes about 70 percent of his time to PSD's printing operations. A replacement is needed for him in the Photography Branch. Two of the four section chiefs appear to lack the technical qualifications that their jobs require. Many employees are entirely competent in performing their present semi-skilled tasks but lack the capability or flexibility to do much else.

2. PSD faces a serious shortage of trained journeymen/technicians in the not too distant future. By 1973, of PSD's present staff will be eligible for retirement, many of whom are among PSD's more experienced and better skilled employees. When normal attrition is added to retirement expectations, the potential personnel drain is severe. The move to the new building may somewhat alter personnel requirements, but we think not nearly enough to offset predictable

25X1

- 14 -

- losses. Now is the time to begin a concerted training program and long-range recruitment drive to fill the pipe-line so that trained personnel will be on hand to replace those who will be leaving.
- 3. Although PSD management should be looking toward future staffing needs, it cannot afford to overlook the needs of the present. At the time of our inspection, there were 14 vacancies in the division. Many of the positions had been vacant for months. Until very recently, the Office of Personnel had been unable to give much priority to recruiting against these vacancies, and very few candidates have been processed. We found some hope for short-range improvement in that PSD had received the files of 13 people who had applied for employment with NPIC and for whom NPIC had no vacancies. There is no easy solution to the problem of staffing positions that require a fair amount of technical skill and which do not pay very well. We certainly have no formula with ingredients that have not already been thought of and tried. The answer probably lies in PSD and the Office of Personnel continuing and intensifying recruitment efforts.
- 4. Merely getting an individual on board does not really fill a staffing need. Under current training practices of PSD, it takes an average of seven years for a new employee to progress through the intermediate stages to reach the journeyman level. We do not consider ourselves qualified to evaluate the apprenticeship program, but we suspect that it is neither efficient nor effective. We doubt that it is really necessary for a new employee of reasonable intelligence and decent motivation to spend seven years learning to become a

journeyman printer. Training techniques now in use in other fields should make it possible to reduce drastically the time required to learn the printing skill. We suggest that PSD explore prospects with professionals in the field of training.

It is recommended that:

No. 4

The Chief, Printing Services Division, request the assistance of the Director of Training in devising training techniques applicable to the printing trade with a view toward substantially reducing the time an employee spends as an apprentice.

Management-Employee Relations

- 5. The report of survey resulting from the Inspector General's 1961 inspection of PSD contained two recommendations on the need for bettering employee relations and for improving management-employee communications. We found some evidence of action having been taken in response to both recommendations; however, there is still much room for improvement. PSD management tends toward the view that management-employee relations is not a problem of any particular consequence. Our findings from this inspection convince us, however, that there is a problem and that it is one that needs attention.
 - a. The level of morale among PSD employees varies widely from plant to plant, is a reflection of the status of management-employee relations in each of the plants, and is directly proportional to the quality of supervision exercised by the individual plant superintendents. Morale and management-

- 16 -

	employee relations are excellent at Plant No. 4 (Headquarters
25X1	seventh floor) They are somewhat mixed
25X1	at Plant No. 3 (Headquarters ground floor).
	They are poor at the South Building plant.

b. With only two exceptions, employees of the South Building plant complained of poor morale at the plant, which they attributed primarily to deficient communications between the plant superintendent and his subordinates. Many of those interviewed cited difficulties in getting decisions or answers to the most routine sorts of questions: a request to take leave, for example. The plant superintendent has had a long and well-regarded career in government printing. His fitness reports over the years have been very favorable, and his file contains several letters of appreciation and commendation. He is rated by his superiors as a good supervisor. We are not in accord with this view. As a manager, his experience as a printer-book binder does not offset his ineffectiveness in dealing with his subordinates. The Chief of PSD differs with us on our conclusions concerning morale at the South Building plant. We can only repeat what we have already employees interviewed, only two told Chief, PSD: out of failed to complain of poor morale and deficient management-employee relations at the plant. We consider the evidence so overwhelming as to be incontrovertible.

25X1

- 17 -

c. Several of those we interviewed at the	25X1
plant were critical of management-employee communications. /	
Some complained that they did not see Headquarters issuances	
concerning them, did not hear of training opportunities, and	
the like. We found that for some reason the plant	25X1
had not been on the distribution of many of the employee activity	A -
bulletins. The defect has since been corrected. We encountered	
complaints in the Photography Branch of difficulties in discuss-	
ing problems with the supervisor. While there is evidence of	
employee dissatisfaction at the plant, it is neither	25X1
as widespread nor as serious as it is at the South Building plant.	

- d. One cause of discontent is PSD's strict leave policy and its practice of including a statement concerning the employee's attendance record in each fitness report. Many employees are irritated by the tight control that is maintained on leave, but on this point we are in sympathy with PSD management. With production schedules to maintain and deadlines to meet, PSD must be sure of having a production team on duty when there is work to be done.
- 6. PSD management is strongly production-oriented--as, indeed, it must be, because PSD is a production shop. The tenor is set by the Chief of PSD who is experienced, able, direct, and firm. Production schedules are maintained to the generously stated satisfaction

- 18 -

SECRET

of customers in all directorates but at the cost of an unusually high level of employee discontent in at least one plant. We are clearly not in favor of a change in managerial style to one of overconcern for people at the expense of production. We do see a need, however, for a more uniform approach to communications between supervisors and subordinates. We have discussed the matter at some length with the Chief, PSD, and he, in turn, has discussed it with his subordinates—with the superintendent of the South Building plant in particular.

Retirement Policy

- 7. The Agency policy of encouraging an employee to retire at the earliest age possible without a reduction in annuity has worked an inconvenience for several older employees of PSD. These employees transferred to CIA from the Government Printing Office in 1957 along with the transfer of the printing operation. They understood at the time of transfer that they would be allowed to work until age 70, provided their health and their work were satisfactory.
- 8. Several of these employees have indicated that they want to work beyond age 60 or 62, and PSD wants to keep them. We agree that PSD's skilled craftsmen should be retained. The Office of Logistics has requested extensions on a year-to-year basis. Thus far, all requests for individual extensions have been approved by the Agency Retirement Board. Occasionally, however, a request for extension is

SECRET

not processed to the Retirement Board until a short time before the date the employee is due to retire. The delay is unsettling to the employee, because he sees his retirement date approaching and does not know whether he will or will not have a job thereafter. The Retirement Board appears to have been understanding and reasonable in its handling of these cases. The fault appears to lie with the Office of Logistics in submitting applications tardily. We see no reason why Logistics should not be able to process its requests for exceptions so that decisions are reached well in advance of the dates on which the employees are due to retire.

It is recommended that:

No. 5

The Director of Logistics take such measures as are necessary to ensure that requests for exceptions to the Agency's optional retirement policy are processed to the Agency Retirement Board in time to permit decisions on extensions to be reached at least six months before the employees would otherwise be due to retire.

SECRET

SECURITY

1. The Agency relies for the protection of classified information primarily upon the security well-being and discipline of its employees. Because of the volume of classified material that is handled or held by components or individuals, it is not feasible to require strict accountability controls. This is particularly true in Printing Services Division. PSD prints millions of pages each year, and many of the reports are of a very high degree of sensitivity. It is simply impossible to account for every classified page that is printed. Hence, security vulnerabilities are of particular concern in printing operations.

Physical Security

2. Physical security arrangements are generally satisfactory at the PSD plants and offices. Security teams check each room at the end of each shift. Only one physical security violation was recorded during fiscal year 1966. The char forces are closely supervised while in the plants. There are sound procedures for destruction of spoiled pages, plates and mats and of other classified trash. Storage facilities are under alarm protection. Shipments between plants are in the custody of trained couriers. Representatives of PSD and of the Office of Security have collaborated on planning for the new building.

- 21 -

SECRET

SECRET

Personnel Security

- 3. We find no evidence of activities of PSD personnel that are questionable from the standpoint of security discipline or vulnerability; however, this statement may sound more reassuring than we intend it to be. We found no evidence because little effort has been made to accumulate and assemble such evidence as might exist. PSD maintains an internal "watch list" of personnel who are of concern because of known indebtedness, poor performance, erratic attendance, or whatever, there are 15 employees on the list. The Special Activities Staff of the Office of Personnel (OP/SAS) has in its sensitive files "suitability" information of varying degrees of significance on another 19 PSD employees. Of these 34 employees, 23 have special clearances, including SI, Q, and TKH. In response to our query, the Acting Director of Security reported on 25 July 1966 that there is no information available which indicates a change in the security status of any of these employees.
- 4. It may be that there is no real cause to be concerned with the security status of these people. We certainly hope this is so. We are troubled, however, by the lack of evidence of concern. There appears to be no orderly mechanism for providing to the Office of Security information now held in PSD or in OP/SAS that might have bearing on the granting of a special clearance. Further, our inquiries of the Office of Security reveal that its security reinvestigation

- 22 -

program has included relatively few employees of PSD. We are speaking of a group that includes many low-salaried personnel, many of whom complained to the inspectors of job dissatisfaction. Interviews with representatives of the Counterintelligence Staff and of the Office of Security indicate that they have not conducted any sort of vulnerability study of PSD employees. As we have said earlier, we find no indication that any of these people are engaged in questionable activities from a security point of view. We do believe, though, that this is the sort of operation that requires a higher order of security surveillance than has been afforded it thus far.

It is recommended that:

No. 6

The Director of Logistics:

- a. Review with the Director of Security "watch list" data maintained internally by Printing Services Division on employees whose job performance or off-the-job deportment is of continuing concern and devise a means for keeping the Director of Security informed of new information that is developed.
- b. Request the Director of Security to review his procedures for establishing priorities in the security reinvestigation program and consider the feasibility of scheduling PSD employees for reinvestigation in advance of the present cycle.

Contractor Security

25X1

001101101	-	
5. PSD contra	cts with three commercial firms for photographic	
services:		25X1
	The Office of Training has a contract with	

- 23 -

25X1

7. Our inquiries indicate that PSD probably could process more of this work now done under contract by adding one or two more people and perhaps some additional equipment. It probably could be done in-house at less than the present \$43,000 annual cost and with considerably improved security. In view of the expensive special equipment required for some work it will not be feasible to process all photography—

25X1

for example--in-house. However, as much classified photography as possible should be handled in-house. That which is handled by contractors should be done so under acceptable security controls.

- 24 -

It is recommended that:

No. 7

The Director of Logistics:

- a. Direct the Chief, Printing Services Division, to plan for the absorption internally, coincident with the move to the new building, of the bulk of the photographic processing now done under external contract.
- b. Direct that the Office of Logistics Security Staff schedule thorough semi-annual security inspections of contractors with whom PSD must continue contractual arrangements.

Security Audits

- 8. The existing mechanism for monitoring the security of PSD operations is fragmented and does not yield comprehensive reports of security audit summarizing all aspects of security at the various PSD installations. We might note that the situation as regards PSD is not unique and is not as badly fragmented as we have occasionally found elsewhere. We believe, though, that it stands in need of improvement.
- 9. PSD management, of course, has immediate responsibility for maintaining the security of its operations. Three security components are involved in monitoring how well PSD does its security job. The Office of Logistics Security Staff is responsible for the periodic security indoctrination of PSD personnel, for handling security violations, and for inspection of PSD contractors. The Physical Security Division of the Office of Security is responsible for

SECRET

ensuring that storage facilities and other physical security measures meet Agency standards, for making periodic checks of the guard forces at PSD plants after normal business hours, and for checking the security of material in transit between plants. The Personnel Security Division is responsible for initial security clearances and for security reinvestigation of PSD personnel.

10. At no point do all of these various aspects of physical and the general question of personnel security come into focus in a single report summarizing the over-all security status at a particular PSD installation. While we recognize the need for traditional separation of concern, particularly as regards specific personnel security cases, we believe that the volume and the sensitivity of the material handled by PSD is such that it would be most desirable to issue a single, overall annual report of security audit of each installation covering such topics as a general discussion of personnel security (without any reference to individual cases), access controls, storage facilities, communications, and document controls and requiring a written response from the Chief, PSD, as to actions taken upon the report's recommendations. If PSD operations were to continue indefinitely scattered among several plants, we would recommend precisely this. With the move to the new building, the security environment will be substantially altered, and such a recommendation probably could not be effectively implemented before consolidation of operations in the new building. We cannot now

- 26 -

SECRET

predict what the dimensions of the problem will be in the new building. We think it would be well for the Director of Security and the Director of Logistics to decide now on the sort of program of security monitoring that will be required for the consolidated installation. The physical plant will be much better, but the volume and sensitivity of the work (and the personnel handling it) will be essentially the same.

SAFETY AND HOUSEKEEPING

1. Printing Services Division has a good safety record-especially in view of its crowded and inadequate quarters in South Building, the poor cleaning and maintenance service provided by GSA South Building, the generally low priority given to safety and safety inspection in the Agency, and the careless housekeeping habits that have developed over the years in some departments of PSD. 2. We inspected PSD during the hot summer months. The heat plant were excessive. During the and humidity at the early weeks of July, temperatures in the dark rooms reached the low nineties with humidity in the low seventies. Such a work environment is not conducive to efficiency nor to attention to safety. We held several discussions about safety, housekeeping, and work environment with the Chief of PSD, with his plant superintendents, with the Chief of Logistics Services Division, and with the Agency Safety Officer. We identified to Chief, PSD, those safety and housekeeping deficiencies that came to our attention. He has already taken action to correct many of the flaws. He has appointed a safety officer for the division. He and the Chief of Logistics Services Division conducted inspections South Building plants. He has instituted a of the

-

25X1

25X1

25X1

- 28 -

improve cleaning and maintenance of the plants.

program to improve housekeeping and has initiated action with GSA to

3. Progress has been made, but there is still much to be done.

PSD has not had an aggressive safety educational program. Until

recently accurate records were not maintained of man-hours lost

through job-connected accidents or illnesses. The two-man Agency

Safety Staff has not been able to provide adequate safety surveil
lance of PSD plants because of other demands on its time. We found

several physical defects that were apparent even to untrained eyes.

We think it would be desirable for experienced fire and safety

engineers to survey all PSD plants and to review plans for the new

building to ensure that all fire and safety codes are met and that

a sound and continuing safety program is in effect. The President's

recently-announced drive to improve safety in government operations

adds urgency to the need.

It is recommended that:

No. 8

The Deputy Director for Support require that the Agency Safety Officer furnish to him by 1 January 1967:

- a. A status report on safety discipline, working conditions, and housekeeping at all PSD plants.
 - b. A report on safety planning for the new building.
- c. A program for the continued monitoring of fire and safety discipline and conditions at PSD installations.

25X1

- 29 **-**

OTHER AGENCY FACILITIES DUPLICATING PSD SERVICES

- 1. Although PSD is the principal printing/graphics/photographic/visual aids service organization in the Agency, it is not the only one. We have no reliable count on the total number of Agency employees outside of PSD who are engaged primarily in these sorts of activities; however, at the time of our last inspection of the National Photographic Interpretation Center in early 1965 it had over people on duty in its branches engaged in reproduction and printing, photography, and graphics. It seems likely that the Agency-wide, non-PSD total may approach the number employed within PSD.
- 2. It would appear, on the surface at least, that consolidating existing facilities or placing them under single management would improve efficiency and decrease costs. We have reviewed earlier studies of the feasibility of either step.
 - a. Following the 1961 Inspector General survey of the Office of Logistics a study was made of photographic and mass copying facilities by a committee representing all of the directorates concerned. The committee concluded that further centralization was not practicable.
 - b. In 1962 the Deputy Director for Support had a study made by a committee representing all of the directorates of the Agency's visual aids/graphics services with a view toward their consolidation.

SECRET

The committee recommended, among other things, that the Graphics Support Branch of OBI and the Graphics Division of OCI be merged, that an Agency Graphics Coordinator be appointed, and that a graphics career service be established. None of these recommendations was accepted at the time, although subsequently the graphics shops of OBI and OCI were consolidated.

- c. The DD/S requested the Chief, PSD, to comment on the coordinating role that his division could and should play. Chief, PSD, feels strongly that there should be central management of the Agency's several printing/graphics/photographic/visual aids facilities and that there should be a graphics arts career service. The DD/S instructed the Director of Personnel to monitor on a continuing basis the over-all management of graphics personnel and, in collaboration with the Comptroller, to monitor manpower utilization. The Director of Personnel in February 1964 concluded that he did not have any good means for monitoring the situation and that there were no significant advantages to be gained from either consolidation of graphics/visual aids units or the establishment of a graphics career service. He doubts that the advantages of either would outweigh the difficulties of their administration.
- 3. The Office of Planning, Programming and Budgeting has taken no position with respect to these matters. That office plans, in due

SECRET

course, to develop and analyze the present costs of these activities in terms of money and manpower and will then consider what action, if any, is indicated. This seems to us a sound and reasonable approach.

- 32 -

SECRET